

Social Economy, Community Resilience and the Transition to Sustainability

Goal and Project Description

This proposal leverages the strong community-university research partnership model developed by the BC-Alberta Social Economy Research Alliance (BALTA - 2006-2012). The goal is to develop a new community-university research partnership – building upon the BALTA framework but engaging significant new partners and participants – that will focus expertise on developing a theoretical and methodological framework for studying the scaling up and scaling out of innovations that re-localize the economy and strengthen the resilience and sustainability of communities and regions.

Key findings emerging from BALTA's earlier research (Restakis, 2011; Lewis & Conaty, 2012; Connelly, Markey & Roseland, 2011; Gismondi, 2011) reveal the strategic importance of the social economy or third sector in advancing sustainability and meeting basic needs on a more local-regional basis through locally defined and controlled initiatives (Connelly, 2010; Beckie, Connelly, Gismondi, Markey & Roseland, 2012; Wittman, Beckie & Hergesheimer, 2011). Social economy organizations are those whose members are animated by *the principle of reciprocity* for the pursuit of mutual economic or social goals, *often through the social control of capital*. This includes co-operatives, non-profit organizations, social enterprises and similar organizations *that use market mechanisms to pursue explicit social objectives* (adapted from Lewis, 2006, and Restakis, 2006; see also Fairbairn, 2009; McMurtry, 2009; Neamtan & Anderson, 2010; Pearce, 2003). Today, sixty per cent of the planet's eco-systems are at risk (Millennium Ecosystem Assessment Reports, 2005; Living Planet Report, 2010). Greenhouse gas (GHG) emissions are rising year on year. Oil demand is increasing and new discoveries decreasing (Alekkett et al, 2010; International Energy Agency World Energy Outlooks, 2008 & 2010), while the continued reliance on carbon based energy is making inevitable within the next five years severe and irreversible climate change (International Energy Agency World Energy Outlook 2011; IPCC, 2007). Forty years of financial deregulation continues to increase indebtedness, inequality and economic volatility (Mason, 2009, Minsky, 1992; Tily, 2010). In this global context, populations are rendered more vulnerable and the communities and regions they live in more subject to environmental, economic and social dislocation, with some sectors of society more vulnerable than others (AtKisson, 2011; Srinivasan, 2008; Urry, 2011).

Through BALTA, practitioners and academics have examined the role of the social economy in creating more socially and economically just and ecologically sound responses to these challenges. This research identifies important innovations emerging from the social economy in a number of sectors – agri-food, energy, housing and finance – that are enabling synergistic benefits in GHG emission reductions, alongside increased autonomy, self-reliance and resilience at household, community and region levels (Lewis & Conaty, 2012; Beckie, Connelly, Gismondi, Markey & Roseland, 2012). This research identifies the need for broad-based collaboration amongst public, private and social economy sectors in order to build the social and physical infrastructure that would enable wide-spread transformative change to a low carbon economy through 'scaling up' and 'scaling out' proven initiatives (Friedman, 2007; Johnston & Baker 2005; Beckie, Kennedy & Wittman, 2011). Only through strategic multi-stakeholder collaboration can more integrated and expanded approaches to sustainability take place (Keough et al, 2011).

While the earlier BALTA research explored points of convergence between the social economy and sustainability, including 'best practice' contributions that social economy innovations are making to sustainability and transition in specific contexts, only to a limited extent did we begin to look at how to adapt and scale up the essence of successful innovations in one context to a wider range of contexts. Such scaling of innovation is absolutely critical to addressing effectively the sustainability challenges facing the World and Canadian communities. This two year development grant would be used to develop a new research partnership and program focused on this challenge of adapting and scaling innovations across different communities/regions.

The community benefit of democratically governed co-operatives, non-profit enterprises, local authority owned enterprises and development intermediaries, which represent various forms of the social

economy, is their capacity to capture capital and resources that can be reinvested in sustainability projects (Turnbull, Benello & Swann, 2008; Lewis & Conaty, 2012; Restakis, 2011; Amyot, Downing & Tremblay, 2010). Community development intermediaries (social, technical and financial) are instrumental in incubating and supporting local innovation while regional, national and international federations are creating a political and organizational framework for advancing “a broad vision of a pluralist and inclusive economy within a sustainable development framework” (Neamtan, 2009). This emerging network of social economy actors and agencies is challenged by the need to move beyond a growth economy that assumes unlimited resources and energy and an inexhaustible biosphere, to what Kenneth Boulding (1966) called the ‘Great Transition’ (see also Daly, 1992; 1996; Daly, Cobb & Cobb, 1994; Olin Wright, 2010).

Moving from a growth to a resilience imperative (Homer-Dixon, 2006) is the central challenge of the ‘Great Transition’ – recently articulated by various authors (Heinberg, 2011; Victor, 2010; Jackson, 2009; Spratt, Simms, Neitzert, & Ryan-Collins, 2010; Schellnhuber et al, 2011). These writers are conceptualizing an economy outside of the traditional growth framework that builds resilience in a socially just and ecologically sound way, by reweaving locally-based economies into a steady state, low-carbon economy (Conaty et al, 2009; see also CANSEE, ISEE). Resilience is defined here as the long-term ability of societies and socio-ecological systems to absorb gradual and rapid ecological and politico-economic disturbances, and to change, reorganize and transform themselves while maintaining a set of essential services and functions (Walker et al, 2004; Walker, 2006; Stockholm Resilience Centre, 2011; Folke, 2006; Holling, 1973; Gunderson & Holling, 2001). The social economy provides an important framework for moving forward on the path to resilience.

The strategic importance of this supposition is reinforced by early macroeconomic modeling by Jackson and Victor (2010) in association with the UK-based New Economics Foundation, a partner in this new research partnership. Their work demonstrates that macro level changes alone cannot realize the 80% reduction in carbon emissions needed by 2050. However, by adding a 6% annual expansion of local green services in primary sectors, including a range of social economy innovations, they calculate that employment levels can be maintained and the 80% target met. While these figures are not definitive, they suggest the importance for long-term transition of reweaving economies on a more local and regional basis [see also *The Great Transition* report from the New Economics Foundation (Spratt et al, 2010)].

Scholars from other disciplines are coming to a similar conclusion that bottom up innovations that link conservation to social, economic and cultural practices are of strategic importance to forging equitable solutions to carbon reduction (Buchs, Smith & Edwards, 2011; Parrish, 2008; Parrish & Foxon, 2009). Consistent with BALTA and other research into local innovation, they are positing how scaling up of niche innovations might be achieved under different kinds of enabling policy (Bergman et al, 2010; Van der Horst, 2008; Middlemiss & Parrish, 2010). Research from the UK in particular has shifted attention from individual “attitude, behaviour, choice” and macro-level change to “day to day practices” (Shove 2010) in the provision of services such as household energy and water, waste disposal, transport and communication. Working at this mezzo-level of practices and organizational behaviours, various authors conclude that “altering these practices requires significant changes to large scale technical networks, which are themselves maintained and reinforced by aspects of social structure” – including government policy, technology patterns, social norms and more (Buchs, Smith & Edwards, 2011, quote from p. 17).

While focused on the contemporary dynamics between these three levels (micro, mezzo, macro), the goal and objectives of this proposal are informed by a broad body of theory. Historically, the enclosure of land, natural resources, labour and capital has incrementally but inexorably led to their commodification (Polanyi, 1957). Over time this ‘Great Transformation’ displaced local economies governed by social relations and the economic principle of reciprocity, replacing them with centralized (both state and private) systems of control over trade and production. Today the assumption is that free markets determine what is of value and allocate resources accordingly. Enclosure, coupled with the unsustainable 150 year drawdown on non-renewable fossil fuels, has propelled humankind onto a path of historically unprecedented growth (Daly, 1992, 1996) that is outstripping the planet’s capacity. Resilience principles shed powerful light on

these predicaments, especially the theory and emerging practices of reclaiming the commons (Aligica, 2009; Ostrom, 1990; Ostrom, 2009; Poteete, Janssen & Ostrom, 2010), ecological economics (Costanza, 1991; Costanza, Graumlich and Steffen, 2007; Malte, 2008), complexity theory (Espinosa & Walker, 2011) and economic democracy and the social solidarity economy (Lewis, 2007; Lewis & Swinney, 2008; Murray, 2009; Allard et al, 2008). From this nexus scholars have discerned an array of potential solutions for restoring resilience at different levels and scales. These and other analytical perspectives will assist in shaping the development of the future research program.

The **Overall Goal** of this project is to develop a new community-university research partnership and program – building upon the BALTA framework but engaging significant new partners and participants – that will focus expertise on developing a theoretical and methodological framework for studying the scaling up and scaling out of innovations that re-localize the economy and strengthen the resilience and sustainability of communities and regions.

Objective 1 – To engage prospective partners, researchers and practitioners in a structured analysis of existing theory, practices and research findings – by BALTA and other researchers – as a basis for working towards development of a framework for the new research program.

Objective 2 – To synthesize research findings focused on mezzo- and micro-levels with macro-level modelling of transitioning to a steady state economy by leading ecological economists from the UK and Canada. Through identifying the intersections between contexts, innovations and enabling factors at these different levels, including BALTA's practice-based research, the synthesis will contribute to defining research to be incorporated into design of the future research program. The UK-based New Economics Foundation (NEF) is a partner in this proposal and the director of its 'Great Transition' steady state economic modelling program is a collaborator. The UK work has three aspects: analysis of environmental limits, defining output measures in 'well-being' terms, and design of a finance system focused on well-being outputs within environmental limits. A co-lead of this project, Noel Keough of Sustainable Calgary, is on the Research Advisory Group of the Canadian Index of Wellbeing (launched October 2011).

Objective 3 – To identify and select regions and communities, both urban and rural, to become partners in the future action research program that will be an outcome of this PDG process. This action research will focus on adapting, applying and evaluating key micro-mezzo level innovations in several basic needs sectors with a view to identifying systemic factors, including policy, that enable or inhibit the scaling up and scaling out of innovations which can contribute to the overall goal.

Objective 4 – To synthesize the work of the research clusters working on the first three objectives and develop their outputs into a comprehensive longer term partnership and research plan, including the development of relevant proposals and grant applications to support the future research program.

Objective 5 – To engage key stakeholders in dialogue on findings related to a low carbon economy transition¹, to explore what resonates and to identify strategic opportunities for collaboration in the research program. This will include ways that broader networks and movements can contribute to dissemination of basic information among their constituents, and most importantly, explore mobilization, leadership, enterprise, organizational and institutional strategies and models capable of joining up local and regional transition efforts, including sector specific (social enterprise, co-operatives, etc.) strategies and mechanisms. In addition to the new partners included in this proposal application, we have targeted several priority sectors for recruitment, including municipal and regional government associations (BC, Alberta and National) and relevant additional organizations with sustainability and transition mandates.

Methods for Partnership Development Process

Objectives 1, 3 and 5 share a requirement for engaging prospective partners, practitioners and researchers in considering key research. This is critical to achieving buy in and to the design of the long term research program (Objective 4). In each case there are vital engagement objectives: (a) To introduce

¹ A significant additional mobilization impact from this project will be achieved through wider promotion of research results emerging from the earlier SSHRC funded BALTA research that will only be published at the beginning of this project.

key findings from previous research relevant to the interests of the prospective partner or network; (b) To identify key research issues and questions that participants believe are important to address in the long term research; (c) To identify objectives (actions, policy, further research) and methods of knowledge mobilization relevant to the partners' interests. At start-up, several tailored summaries of findings will be prepared for use with partners. Thematic tele-seminars will allow us to introduce and clarify content, and to initiate identification of research issues. Summaries of the results will be prepared and posted on an interactive website. The partnership development and research planning will be focused within several participant research clusters: one examining the micro-mezzo-macro analysis; one on the community based research; and one focused on financing.

Re Objective 3, the engagement of communities/regions that will be participants in the future action research, communities/regions and institutional networks with possible interest in adapting innovations would be invited to engage in introductory seminars. If they are interested in further exploration, they will be asked to identify their priorities, potential sponsoring organizations and possible partners. Initial screening would narrow the field to up to 15 possible sites in Canada. Further discussions would clarify the context, sector interests, key challenges, objectives and benefits sought through their collaboration, and what human, organizational and financial resources they could contribute and/or help mobilize. The BALTA partners will determine a final means of selection of 5-8 communities. Face-to-face workshops involving key participants in each site would determine the action research focus, basic design and sponsoring organizations. This would then be incorporated into the proposed future research program.

With regard to developing multi-stakeholder partnerships, a mix of methods will be important (Poteete, Janssen & Ostrom, 2010; Reason & Bradbury, 2001; Sustainable Development Research Network, 2011). We intend to develop a participatory action research (PAR) approach to the community based research that will form a major focus of the future research program. Design of this PAR component and methodology will be an important focus and outcome of the partnership development project, as will development of the most appropriate methodologies for other aspects of the future research. Among a range of methodologies being considered for monitoring and evaluation of impacts for the long term research program is the 'Most Significant Change' technique (Davies & Dart, 2005).

Implementation of Objective 2 – the micro/mezzo/macro research synthesis – will be carried out by a team of people directly involved in pertinent bodies of research and practice. Review of research will be supplemented with two to three meetings focused on examining the implications of the micro-research for macro-modelling, identification of key macro factors that support or thwart transition to radical carbon reduction at the community and regional levels, and identification of key research questions and projects necessary to increase the robustness of the macro-mezzo-micro integration.

The proposed project would extend over two years, from June 1, 2012 to May 31, 2014, though we would begin the process with a tele-conference of project partners and participants even before that, shortly after we learn of SSHRC's grant decision so that the work can begin as soon as possible. Much of the initial work would take place in the separate research clusters. We would then convene a research symposium in Edmonton in Spring 2013 to review the project results to date, begin shaping plans for the future research program, and identify further steps required to develop the partnership and research plan. Further work would then carry into Fall 2013, at which point the plans will be finalized and approved by the partners. Work would then focus on development of detailed research and funding proposals, as well as further elaboration of the research methodology.

We are building upon a significant base of existing BALTA and other work and preliminary discussions related to the project. Thus, we do not feel that longer than two years is required. A major output of this process, a full research Partnership Grant LOI proposal to SSHRC, would be completed somewhat before the end of the two year period for submission in January-February 2014. However, the choice of two years also reflects the complexity and scale of the proposed longer term research program, partnership and methodology. To ensure a well developed plan and proposal, we need to take the time for deep and thorough discussion supplemented by relevant research and mobilization activities as outlined

elsewhere in this proposal. The extension of the project for several months beyond submission of the Partnership Grant LOI to SSHRC will enable us to begin exploring potential additional funders.

This project will address SSHRC's program objectives for both Insight and Connection. For **Insight**, the project addresses the full range of SSHRC's priority objectives. While existing innovations demonstrate that significant change is possible, scaling them out and up is crucial to increasing impact. This is urgent research that requires *diverse cross-disciplinary research teams and methodologies* that will leverage *leading researchers internationally* while still focusing on *applied action research* locally. Students will have a significant role in the project. Regarding **Connection**, this project starts from the base of a strong existing model of community-university partnership (BALTA). The new partnership will broaden the network and increase the multidirectional flow of knowledge related to the research themes between researchers, wider community and academic audiences. Co-construction and co-management of research design is a fundamental characteristic of the BALTA approach and will be enhanced by widening the network of partners and participants involved in this new partnership. Our strong existing links to networks and federations makes possible effective uptake and use of research results by non-academic audiences, increasing research impacts.

Challenge criteria – This proposal outlines a significant research animation and design program and partnership development agenda that leverages local, regional, Canadian and UK expertise across practitioner and academic divides, combining community based and macro-level research and scaling up innovations that have local and global significance. The unique configuration of expertise and research connections that BALTA has made, significant in themselves, will be leveraged well beyond the original scope to take on a set of strategic and urgent research challenges. The concreteness and hopefulness exemplified by the innovations researched are creating significant interest well in advance of the publishing of the two books relevant to these themes. Speaking invitations on the themes of 'The Resilience Imperative' (Lewis & Conaty, 2012), six months in advance of the book, are indicative of the cross-section of interest – aboriginal networks, university lectures, community development, community finance and transition town networks in Canada, New Zealand and Australia. People want to understand the innovations, how they work and how they might productively adapt them to the challenges they face wherever they live. This project anticipates how important the scaling up and out of innovations is going to be in the decade ahead and is positioned to focus time, talent and resources to the urgent and important work of helping make it happen.

Feasibility criteria – We are building this new research partnership and program on five years of experience in achieving effective partnership and co-construction of a research program. As demonstrated in the proposal sections on Formal Partnerships, Participants Involvement and Partnership Evidence, there is already a solid basis of partnership established and a process to further develop the partnership over the course of this development project. The partners and participants (existing and new) have indicated their commitment to the project, including significant commitments of time and resources (see partner letters). The objectives of the project are ambitious, but with the previous foundation, the two year time frame, and the scope of budget and activities, the objectives should be achievable (see Partners/Contributors, Contributions Plan, Formal Partnerships, Knowledge Mobilization Plan and Budget Justification). The knowledge mobilization plans are substantive, including mobilization beyond the research community.

Capability criteria – We have assembled a very strong and diverse team of co-leads, other co-investigators and collaborators, and partners, representing a wide range of relevant disciplines and community/practitioner sectors/networks. This team and the wider networks that they bring to the table can contribute to strong programs of both research and mobilization. As individuals, they bring extensive involvement of working in partnership, including research partnerships with communities, business, and government. The highly regarded BALTA experience of research partnership over the past five years has brought much relevant experience which will be applied to developing this new partnership.